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ABSTRACT

Strategies and problems facing the small private liberal arts colleges as a group are described. Many of these schools have weathered the financial emergencies of recent years by cutting expenditures to the point where the quality of education is threatened. New measures have been called for to reduce the tuition gap between private and public institutions and to use public resources to assist threatened private colleges. There are, however, a limited number of instances where the small liberal arts college has remained financially and academically healthy. This condition is usually accompanied by a self-analysis program identifying a distinctive purpose for the college to serve. Information on the state of the college's operations and potential new markets is obtained with the cooperation of faculty and staff. Firm plans and decisions can then be made about the future directions the college will take. (Author/LBH)

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THE VITAL SMALL COLLEGE: STRATEGIES AND MISSIONS

David A. Trivett

Small private colleges offer a variety in size, curriculum, and purpose that acts to counterbalance the dominance of higher education by public institutions. The role of private colleges has diminished in recent years, as reflected in the decreasing number of private institutions, fewer degrees granted, and decreasing proportions of enrollment. Yet, a number of these institutions are vigorously pursuing distinctive missions to ensure their survival.

Many tasks assumed by the swelling count of community colleges, such as teaching the "new" students or urban students, have traditionally been performed by faculty in small private colleges that could not demand a select, highly talented student clientele. Smaller private colleges tailor their campus life, instruction, and curricula to specific groups of students. Within some states, legislatures have recognized the contribution of small private colleges to their higher education system. State laws may provide for direct institutional aid or indirect aid through students. However, in order to survive, private colleges have focused on cost-cutting and tuition increases, practices that have finite limits to their utility. Several small private liberal arts colleges are thriving by sticking to a carefully defined mission, and concentrating on a particular student clientele.

THE PRESENT STATUS

T. H. Bell recently answered the question, "Does the small private college have a future?" by asserting, "Yes . . . if it rolls with the times" (Bell 1975, p. 2). In his judgment, if small private colleges are going to survive, they must not only adapt themselves to the economic strains that affect them, but also must change academically by providing the knowledge students need to succeed in the world of work. In Bell's words, a college totally devoted to the liberal arts is "kidding itself." In addition to the liberal arts, colleges must provide their students with salable, useful knowledge and skills, including information about what is expected of the student in the marketplace and good communication skills.

Bell is not alone in raising questions about the role of small private colleges in the U.S. Bergquist reviewed the major studies in higher education, such as the Carnegie Commission reports, and found that the number one theme struck about small private colleges is the question of their survival (Bergquist 1974, p. 2). In the same studies, small colleges are recognized as a valuable component of American higher education, a component that provides needed heterogeneity of form and purpose. They are praised for their contribution to pluralism, accessibility, effective instruction, and for their supportive environment (p. 4). Bergquist found that the plaudits for small colleges are accompanied by the recognition that small colleges are nevertheless inadequately funded and lack national and sometimes regional visibility. To correct this, remedial strategies are proposed, such as greater public support, better institutional planning, and the development of new student clientele groups (pp. 14, 17).

Rhetoric about the condition of small, private colleges could be evaluated more accurately if continuous, reliable information were available on the financial condition of the institutions. The Carnegie Corporation of New York has recognized this need and is sponsoring a three-year project by the Council for the Advancement of Small Colleges to collect and analyze information from 400 institutions (Carnegie Corporation 1975, n.p.n.). Moreover, a group of 48 private colleges has been studied over the years by Hans H. Jenny and Richard Wynn and results of the study reported in *The Golden Years* and *The Turning Point*. A recent update by Wynn (1974) arrives at an inconclusive assessment regarding the 48 colleges. From 1970 to 1973, these colleges went from a $7 million collective deficit to a $3.3 million surplus. At the same time, the colleges' annual rate of growth in expenditures and income slowed down. Although this trend appears to signify that the colleges are in control of their budgets, in Wynn's judgment the decreases are deceptive because the decline in rate of expenditure growth is occurring faster than the decline in rate of income growth. Wynn interprets this to mean that these colleges have trimmed their expenses to the bone with no more fat left to trim. Thus, financial distress, seemingly moderated, may yield to "quality distress" instead (p. 17). If an inflation deflator is used, most of the 48 colleges studied are showing declines in "real resource growth per student" (p. 18). For example, although budgets might be balanced, when expenditures on library books per student are adjusted to compensate for the rate of inflation, the real expenditures per student on books dropped strikingly from 1970 to 1973. Considering the continued rate of inflation, Wynn's fear of "quality distress" seems all the more warranted.

Despite the trials that some small colleges encounter, a few are doing very well. Meeth and Workema (1974) surveyed one group of 163 colleges identified as "evangelical or conservative" Christian liberal arts colleges. Seventeen percent no longer considered

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themselves to be in this religious category. But based on responses from the sixty-three responding colleges, 64 percent indicated the same or increasing enrollment in 1974. Although the number of transfer applications and part-time students increased, increases were also reported in freshman applications at 62 percent of the colleges (pp. 1-3). From the survey responses and their own perspective, Meeth and Werkema suggest six factors that account for the schools with stable or growing enrollment. Intensified recruitment is a primary reason. Adherence to the religious identity of the college is another. Also important are shifts in curriculum (toward career emphasis), higher levels of student retention, the availability of student aid, and student choice of a regional institution (p. 4.). The authors conclude that the prognosis for conservative Protestant colleges is continued growth if the institutions inform their constituencies of what they stand for and focus on curricula that provide career choices (p. 10).

STRATEGIES FOR SURV'VAL

National level recommendations to promote the continued survival and growth of small private liberal arts colleges include federal assistance, state assistance, and improved management practices by institutions.

Reducing the Tuition Gap

Typical recommendations for national level assistance are shown in policy recommendations of the Task Force of the National Council of Independent Colleges and Universities (*National Policy for Private Higher Education* 1974). Their recommendations are presented from the perspective that while in 1950 enrollments were equally divided between private and public institutions, in 1974 the private sector enrolled only 24 percent of the total student population (p. 1). They clearly point out the interrelationship between public and private institutions and the financial implications that this interrelationship holds for society. If public and private institutions are in close proximity, they are interrelated in the sense that the closing or modification of programs at either affects the other. If a change made by the public institution causes the private institution to close, society must be aware that the private school students will probably attend a public institution and add to the need for greater public support of the higher education system. The average annual saving to taxpayers from student enrollment in private institutions reached $2.9 billion (p. 2) (based on the Task Force's estimation that the average annual subsidy for each student enrolled in a public institution is $1,400). Other reasons buttress the case for aid to private institutions. Private institutions provide diversity and variety. For example, 719 of the general baccalaureate colleges with fewer than 3,500 students are private, yet these colleges enroll 800,000 students (p. 42). Private colleges and universities represent an alternative to public institutions through stress on excellence and emphasis on liberal learning and personal values: being relatively independent of politics, they sustain academic freedom (p. 12). To assist private colleges and universities, the Task Force recommends measures to narrow the "tuition gap." "The private sector can survive a substantial price differential but not a tuition differential that averages more than $1,500 per student per annum and is growing from year to year" (p. 17). Three options are suggested to offset the tuition gap: (1) provide grants to students at private colleges; (2) provide aid to all students reflecting their costs, thereby compensating for higher cost at private institutions; (3) provide categorical grants or payments for services to private colleges (pp. 19-20). The report urges legislators to see that aid programs are drawn with the objective of narrowing the tuition gap to assure that some private colleges will survive.

State Aid

At the state level, aid to "private" higher education has occurred from the time of the colonial colleges. In early 1974, thirty-nine states made provision to aid private colleges and universities in some manner. In 1973-74, $387 million was appropriated by the states for aid to students, a major portion of which went to students at private institutions; $102 million was appropriated for direct institutional aid. Some thirty-five states have student aid programs and fifteen have tuition equalization grants specifically for students in private institutions (Millard 1974, pp. 1-6). Eleven states have enacted legislation to enable private colleges to sell tax-free bonds to raise capital funds.

One of the newer forms of aid comes about through legislation that permits the state to buy instructional services from private institutions (Miskel 1974). For example, in Illinois, Millikin University, a small private undergraduate university, benefits from the common-market idea espoused by the Illinois master plan for higher education. Millikin offers courses on a contractual basis to the new Richland Community College of Decatur. Community college students enroll in lower-division courses at Millikin, for which the university is paid an amount between the Millikin actual instructional cost and the estimated amount for the community college to duplicate the course offering. With this arrangement, the university maintains its control over selection of faculty. As of 1974, appraisals of the program were positive, with evidence that public support is increasing for both institutions (Bach and Givens 1974, pp. 1-10).

In Montana, a state-sponsored study has given recognition to the role of private institutions even though there are only three private colleges in the state. Two of those colleges provide the only available higher education in two of the large communities in the state. In recommending assistance to these private institutions, the state-sponsored report notes that the three private colleges not only offer essential services, but also respond to local needs, such as adult education, in innovative, experimental ways. Closure of the three institutions would add to the pressure on the public universities and deprive the local economies of benefits derived from faculty-staff payrolls and student expenditures. Despite this support, private institutions in Montana are under stress, with degrees awarded slipping from 458 in 1971 to 399 in 1974. Institutional costs are increasing faster than income, and negligible endowments can provide no cushion (*Independent Higher Education* 1974, pp. 1-9).

State aid to private colleges is a controversial topic. West (1974) considers an argument often advanced against state aid to private higher education. In Illinois, withdrawal of state aid from students in private institutions apparently would mean $30 million more available for public students. However, if the unexpected happened, and 28,000 private school students were forced into public colleges and universities, the actual consequence for the state would be $12.5 to $20 million more in instructional costs alone. This is because each student in a public university in Illinois costs the state $1,500 to $1,800 per year, whereas the students attending Illinois private institutions receive an average aid amount of $1,000 (pp. 9-10). Arguments for and against state aid must be considered with caution.

Better Management of Institutions

Institutions that turn inward to survive frequently must overcome old ideas and practices. Simplistic notions that colleges should pursue "growth, distinction, and excellence" are criticized by Meeth (1974), who points out that increasing enrollment serves no

purpose unless each student is paying his way in full. Furthermore, money must be invested to develop a distinctive program before students can be attracted to pay for it.

Meeth advocates better management as the key to survival of private colleges. This requires trained managers who will solve problems and challenge the encrusted assumptions of higher education ("small classes produce better learning") (pp. 162-164). These managers will utilize change strategies for self-renewal in their schools and evaluate the results. Other specific recommendations springing from Meeth's study of institutions are to "develop a strong institutional research office . . . [and] long range plans" (pp. 167-168), "reduce the size of the faculty and the administration" (p. 168), "develop plans and programs for reducing attrition" and "relate budget spending to income" (pp. 169-170).

Some of these recommendations are pursued in projects such as the Institutional Research and Planning Project (IRPP) of the Council for the Advancement of Small Colleges. In this project small colleges are encouraged to establish institutional research and planning offices. IRPP concerns include a determination of which data are important to management of small colleges and how management information systems can be utilized. The use of planning as an on-going, consensual, budget-related process is also stressed as the project trains institutional research directors. Other management techniques are introduced, such as goal analysis, cost-effectiveness analysis, and market analysis (Shoemaker 1973a, pp. 1-7). Actual projects undertaken by the directors of institutional research in the project have included faculty evaluation, market analyses of the need for new programs, studies of enrollment trends, elaborate self-study projects, and statistical studies of student attrition and retention (Shoemaker 1973b, pp. 1-14).

The pressures of financial exigency have forced many small private liberal arts colleges to make decisions without proper regard for mission, quality, adequacy of resources, and organizational implications. A better approach lies with systematic planning and development efforts over time (Maher 1974, p. 13). If properly done, planning stabilizes morale while survival methods congruent with the institution's purpose are sought. Maher suggests nine tasks that should be pursued in the small college planning effort, some of which are: stay in touch with the basic purposes of the institution; develop adequate information bases for evaluation and cost-effectiveness studies; explore linkages to a variety of other institutions; and make certain the entire academic community is aware of issues at stake, the nature of decisions to be made, and the long term consequences of alternatives (p. 15). Maher recognizes that the intense community nature of small institutions can cause psychological stress in dealing with survival issues, but for planning and development to count, the faculty and staff must be involved from the beginning, preferably through an organization that will stimulate the development of alternatives (pp. 18-20).

SUCCESS STORIES

A few success stories illustrate the techniques used by resourceful, small, private liberal arts colleges. Until recently, Flagler College, in St. Augustine, Florida was an unaccredited all-girls school of only 200-plus students. Following a reorganization, the school became coeducational and accredited. In recent years the application pool for the college has risen from 200 to 700 from which a student group of 200 to 225 new students are selected. Although this increase in applications no doubt reflects an administrative and fiscal commitment to recruiting, other factors may explain the new vitality of the college. For one, the college has an ideal location in St. Augustine, Florida where it is housed in the former Ponce de Leon Hotel. Approximately 60 percent of the students are attracted to the school from out of state. A limited number of majors are offered and students not interested in these majors are not encouraged to enroll. Enrollment is limited to 550, so that the proverbial "close faculty-student relationship" becomes a reality. Quality teaching is emphasized and is written into faculty job descriptions. Because the major campus building was deeded to the college debt free, a very high proportion of student fees enters the education budget. One distinctive program that attracts a specific group of students is a deaf-education program offered in cooperation with the nearby Florida School for the Deaf and Blind. Men and women students are attracted also by traditionally strong athletic programs. As is the case with many successful institutions, the college does not attempt to serve all but rather to offer specific attractions (Abare 1975).

In 1972, Roberts Wesleyan College in Rochester, New York, noticed declining enrollments from students of the parent religious body (Free Methodist). A special study was designed to measure the image of the college and provide objective data about what the college's usual constituency thought of it, including a survey designed to reach ministers, Sunday school superintendents, and youth at appropriate churches. A variety of techniques such as a semantic differential scale were used to probe the respondents' perception of the college's distinctiveness, intellectual quality, and religious spirit. By comparing the constituents' perceptions of the college with their ideal Christian college and with reality at Roberts Wesleyan, investigators discovered evidence that their constituency viewed the institution with only moderate enthusiasm, even though the desired qualities were typical of the college. To correct this condition, a customized publicity campaign was designed to reach segments of the college's market with specific messages. College-age youth are told about academic and career programs, adults hear about the liberal arts emphasis. College administrators now know that they have a desired educational offering that requires more targeted publicity (Winkleman 1974, pp. 2-35).

In another region of the country, Covenant College, Lookout Mountain, Tennessee, has achieved its success by stressing its distinctive Christian purpose, a quality academic program, and careful management. Faculty members are required to write an intellectual exposition of the relation of their faith to their discipline before tenure is granted. Students, faculty, and staff are required to donate labor to the college on a regular schedule. In this way, the college pursues its mission and stretches dollars (Covenant College 1974, n.p.n.).

At Spring Arbor College in Michigan, the outreach functions of the college are coordinated so that the purpose of the institution is presented in a consistent manner. The 1974 freshman class was 45 percent larger than the previous class. Recruiters view themselves as counselors intent on helping students find the *right* college, not necessarily Spring Arbor. Recruiting efforts are directed at specific audiences and literature makes clear the distinctive features of the college. The follow-up process is thorough; an average of eleven contacts is made between the prospect's first inquiry and enrollment. However, an intensive recruiting effort only pays if students stay enrolled. At Spring Arbor, the institutional research office discovered that attrition was a problem. A study

identified the extent of attrition and causal factors. Subsequently, a program was created to reduce attrition by focusing on the quality of personal relationships students have as a key factor in reducing attrition. Now, a survey given to all freshmen regarding their "significant others" permits the college to focus on students identified as potential dropouts (Spring Arbor College 1975, n.p.n.).

CONCLUSION

Small private liberal arts colleges as a group are facing a tough survival fight. Many of these schools have weathered the financial exigencies of recent years by cutting their expenditures to the point where the quality of education is threatened. Because of this perilous state, new measures have been called for to reduce the tuition gap between private and public institutions and to use public resources to assist threatened private colleges. However, there are a limited number of instances where the small liberal arts college has remained financially and academically healthy. This condition is usually accompanied by a self-analysis program identifying a distinctive purpose for the college to serve. Information on the state of the college's operations and potential new markets is obtained with the cooperation of faculty and staff. Then, firm plans and decisions are made about the future directions the college will take.

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